



QMS Media Limited

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ASX RELEASE

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ROLLOVER SHAREHOLDERS SCHEME MEETING - CHAIRMAN'S ADDRESS

In accordance with ASX Listing Rule 3.13, attached to this announcement is the Chairman's address which will be made at today's meeting of the Rollover Shareholders, being QMS Shareholders who are entities controlled by QMS Group CEO Barclay Nettlefold and QMS Australia CEO John O'Neill (**Rollover Shareholder Scheme Meeting**).

The slides accompanying the Chairman's address will be released simultaneously with this announcement.

The Rollover Shareholders Scheme Meeting will be held immediately following the General Scheme Meeting, being a separate meeting of all QMS Shareholders other than Rollover Shareholders commencing at 10:00am today (Melbourne time).

Director's recommendation and voting intentions

QMS' Board of Directors continues to unanimously recommend that QMS shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert appointed to assess the merits of the Scheme continuing to conclude that the Scheme is in the best interests of QMS shareholders (the **Qualifications**).

In respect of the recommendations of two QMS directors, Barclay Nettlefold and David Edmonds, QMS shareholders should have regard to the fact that, if the Scheme is implemented, they will each receive additional benefits that will not be received by other shareholders. These additional benefits are detailed in Section 2 of the Scheme Booklet relating to the Scheme which was dispatched to shareholders on 19 December 2019 and is available at www.qmsmedia.com/investors/quadrant-acquisition/.

Each Director of QMS (other than Barclay Nettlefold as noted below), intends to vote all the QMS shares held or controlled by them in favour of the Scheme, subject to the Qualifications.

Under a Voting and Rollover Agreement entered into between Barclay Nettlefold, BidCo and others, Barclay Nettlefold has unconditionally agreed to vote all the QMS Shares held or controlled by him in favour of the Scheme as long as that agreement remains operative.

Further information

QMS shareholders can obtain further information in relation to the Scheme by calling the QMS Shareholder Information Line on 1300 069 339 (within Australia) or +61 3 9415 4275 (outside Australia) between 8.30am and 5.00pm (Melbourne time) on business days.

For more information, please contact:

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About QMS

QMS Media Limited is a publicly listed company on the Australian Stock Exchange. QMS is a leading outdoor media company in Australia, New Zealand and Indonesia, specialising in premium landmark digital and static billboards, street furniture, sport, airport and transit media.

QMS three distinct business segments of QMS Australia, Mediaworks and QMS Sport continues to set QMS apart from the rest of the industry with each of the business segments having its own unique value proposition, growth profile and scalability.

CHAIRMAN'S ADDRESS

DECLARING THE ROLLOVER SHAREHOLDERS SCHEME MEETING OPEN

Good morning ladies and gentlemen and welcome to today's Rollover Shareholder Scheme Meeting. I will be chairing today's meeting.

The Company Secretary has confirmed that a quorum is present. I therefore declare the Rollover Shareholders Scheme Meeting of QMS Media Limited open.

PURPOSE OF THE MEETING

The purpose of this Rollover Shareholders Scheme Meeting is for the Rollover Shareholders to consider and, if thought fit, approve the proposed acquisition of all of the issued share capital of QMS by Shelley BidCo Pty Ltd under the Scheme.

The Scheme has been approved by the requisite majorities at the General Scheme Meeting. If the Scheme is approved by the requisite majorities at this Rollover Shareholders Scheme Meeting, and is implemented, Quadrant Private Equity will acquire all of the shares in QMS, through a special purpose company, Shelley Bidco Pty Ltd.

In consideration for the shares in QMS, QMS shareholders (other than the Rollover Shareholders) will receive a cash amount of \$1.22 for each QMS share they hold on the Scheme Record Date.

The Rollover Shareholders will receive a mixed consideration of cash and shares in the ultimate holding company of Shelley BidCo Pty Ltd, being an entity called Shelley Topco Pty Ltd.

The Rollover Shareholders have made elections as to the mix of cash and shares that they will receive as required under their respective voting and rollover agreements and they have also agreed to vote in favour of the Scheme under those agreements.

ROLLOVER SHAREHOLDERS SCHEME RESOLUTION

The Rollover Shareholders Scheme Resolution, as set out in the Notice of Rollover Shareholders Scheme Meeting, is as follows:

“That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth):

- a. the Scheme, the terms of which are contained in and more particularly described in the Scheme Booklet (of which this Notice of Rollover Shareholders Scheme Meeting forms part) is agreed to (with or without any modifications, alterations or conditions agreed in writing between QMS and BidCo and approved by the Court or any modifications, alterations or conditions as thought just by the Court to which QMS and BidCo agree in writing); and
- b. the directors of QMS are authorised, subject to the terms of the Scheme Implementation Deed:
 - i. to agree to any modifications, alterations or conditions with BidCo;
 - ii. to agree to any modifications, alterations or conditions as are thought just by the Court; and
 - iii. subject to approval of the Scheme by the Court, to implement the Scheme with any such modifications, alterations or conditions.”

DIRECTOR'S RECOMMENDATION

QMS' directors have considered the advantages and disadvantages of the Scheme. These considerations are set out in the Scheme Booklet.

After such consideration, the QMS directors unanimously recommended (and continue to recommend) that QMS Shareholders vote in favour of the Scheme in the absence of a Superior Proposal, subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of QMS Shareholders.

In respect of the recommendations of Barclay Nettlefold and David Edmonds, QMS Shareholders should have regard to additional benefits they will receive if the Scheme is implemented. Details of these additional benefits can be found in Section 2 of the Scheme Booklet.

Since the announcement of the Scheme, your directors have not received any alternative approaches or proposals for QMS.

INDEPENDENT EXPERT

QMS appointed Lonergan Edwards & Associates Limited as the Independent Expert to assess the merits of the Scheme for QMS Shareholders.

The Independent Expert has concluded that, based on the Cash Consideration, the Scheme is fair and reasonable and, therefore, in the best interests of QMS Shareholders in the absence of a superior proposal.

The Independent Expert assessed the value of QMS on a 100% controlling interest basis at between \$1.12 and \$1.29 per QMS share. The total cash consideration payable under the Scheme of \$1.22 per QMS share is within this valuation range.

The Independent Expert has not made any assessment, based on the Scrip Consideration, of whether the Scheme is fair and reasonable and in the best interest of the Rollover Shareholders in the absence of a Superior Proposal.

SCHEME CONDITIONS

Implementation of the Scheme is subject to a number of conditions. These are outlined in section 5.5.1 of the Scheme Booklet.

The regulatory conditions, namely the approval of the Scheme by the Foreign Investment Review Board and the New Zealand Overseas Investment Office, have been satisfied.

Your directors are not aware of any circumstances to date which would prevent any of the other outstanding customary conditions outlined in the Scheme Booklet from being satisfied.

IMPLEMENTATION TABLE

If the Scheme is approved by QMS shareholders at today's meetings, the expected next key dates in the Scheme timetable are displayed on the screen behind me.

With this background, we will now move on to the formal business of the meeting.